



**U.S. Department of  
Transportation**


Office of the Secretary  
of Transportation

March 13, 2001

Assistant Secretary  
for Budget and Programs  
and Chief Financial Officer

400 Seventh St., S.W.  
Washington, D.C. 20590

**MEMORANDUM TO:** Heads of the Operating Administrations  
and Secretarial Officers

**FROM:** Peter J. Basso, CFO 

**SUBJECT:** Financial Management Personnel -- Selection  
and Appointment

Transportation in almost all finance areas has made major advances in the last five years. The prospect for the next few years is even greater. New tools, new techniques, the introduction of strategic planning, performance measurement, cost accounting and similar instruments have and will dramatically change the role of senior Financial Management staff from transaction processing to decision support.

As the CFO of the Department, I believe our most important asset is people. Key personnel in senior positions in each Operating Administration and office are changing roles. They are building on the automated systems that more efficiently make payments, track assets, and will generate financial statements. You will soon have sophisticated software that needs to be exploited in support of program and policy.

Law mandates that the Transportation CFO:

"Direct, manage, and provide policy guidance and oversight of agency financial management personnel, activities, and operations."

And lead in:

"the recruitment, selection and training of personnel to carry out agency financial management functions:..."

For the past several years, this office has concentrated on selective Financial Management positions in critical areas. My emphasis has been on assuring that candidates and appointments are filled with individuals qualified in finance, budget and related functions. I have urged my colleagues to seek out people, who accept accountability, are dedicated to adopting world-class methods, and are energetic. They need to embrace change, particularly automation of routine functions, and understand the value of decision support, such as data presentation, cost analysis, arraying data for

procurement staff analyses, and timely and meaningful reports to program managers and fund administrators.

This memorandum not only captures what has occurred in essential areas, but sets out a broader policy of assessment, recruitment and training of Financial Management staff to take on the new challenges. In advance of posting Financial Management positions, an assessment of the functions and future directions of Financial Management in your agency should be undertaken and forwarded for approval together with the vacancy announcement and recruitment plan. Selections will continue to require CFO concurrence. This makes the process more formal than before—but it is a course that skillful Administrators have already put in place.

In the beginning of my association with Secretary Mineta, he emphasized to me the need for "clean" opinions and the need to attract and retain able financial managers who will adopt and embrace sound practices.

With his strong endorsement, this memorandum is issued to assure that World Class Financial Management is a goal that is achieved in Transportation within the next four years.

Cc: Secretary Mineta